



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
HEADQUARTERS, NATIONAL TRAINING CENTER & FORT IRWIN
FORT IRWIN, CA 92310-5000

AFZJ-CG

2 May 2011

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: NTC Policy Letter #16, Financial Liability Investigation of Property Loss (FLIPL) Processing Procedures

1. REFERENCES:

- a. AR 735-5, Policies and Procedures for Property Accountability, 28 February 2005
- b. HQDA ALARACT, Army G4 Property Accountability Guidance, 28 June 2006
- c. HQDA ALARACT #210/2010, EXORD 259-10 Campaign on Property Accountability, 090224Z Jul 10
- d. DA PAM 710-2-1, Using Unit Supply System (Manual Procedures), 31 December 1997
- e. DA PAM 735-5, Financial Liability Officer's Guide, 9 April 2007
- f. FORSCOM Financial Liability of Property Loss (FLIPL) Policy
- g. FORSCOM Campaign on Property Accountability, 231506Z Jul 10
- h. FORSCOM Command Supply Discipline Program, 3 November 2010

2. PURPOSE: To establish policies and procedures for conducting Financial Liability Investigations of Property Loss (FLIPL) to ensure their accurate and timely completion within the National Training Center and Fort Irwin.

3. POLICY:

- a. Commanders and leaders at all levels must re-focus on getting back to the basics of property accountability and being good stewards of government resources. This Policy Letter outlines general NTC guidelines and responsibilities of all involved with FLIPLs and basic procedures for completing required forms. Commanders and primary hand receipt holders will not routinely use FLIPLs to account for property in lieu of good Command Supply Discipline procedures. The use of FLIPLs requires a considerable amount of time and effort to properly investigate and document the events surrounding lost, damaged or destroyed property. Commanders will not clear Soldiers from their command until all property is accounted for or a FLIPL is initiated.

b. The approval authority for loss of any sensitive or controlled item or total loss or damage in excess of \$100,000 will be the first general officer in the rating chain. The approval authority for loss or damage to a non-sensitive or non-controlled item and total loss or damage not exceeding \$100,000 will be the first colonel (O6) or supervisory GS-15 in the rating chain.

4. NTC REPORTING TIMELINES:

a. The National Training Center has a unique rotational mission. While that may impact FLIPL processing, it will not be allowed to interfere with the timeline set forth by the above references and this Policy Letter.

b. Under normal circumstances the FLIPL process will not exceed 75 calendar days total processing time IAW AR 735-5.

c. The timeline for initiating a FLIPL and appointment of a financial liability officer (FLO) is **15 days**. If this time is exceeded, the FLO must still be given sufficient time to conduct a fair, impartial and thorough investigation.

d. The following reporting timelines will be adhered to by all NTC units for open FLIPLs:

(1) At **50 days** from discovery of loss, Brigade/Regiment Executive Officers (XOs) will notify the Chief of Staff through the G4 regarding the status of the FLIPL and estimated completion date.

(2) At **65 days** from the discovery of loss, Brigade/Regiment Commanders (CDRs) will submit a written status report to the Chief of Staff through the G4 regarding the status of the FLIPL and estimated completion date.

(3) At **70 days** from the discovery of loss, Brigade/Regiment Commanders (CDRs) will submit a written report to the Commanding General regarding the status of the FLIPL and estimated completion date.

(4) At **75 days** or more from the discovery of loss, Brigade/Regiment Commanders (CDRs) will submit daily a verbal report to the Commanding General regarding the status of the FLIPL and estimated completion date.

5. RESPONSIBILITIES AND TIME CONSTRAINT:

a. **Supply Sergeants** and/or **Supply Support Activity Accountable Officers** will:

(1) Initiate and submit DD form 200, FLIPL, to the Battalion S4 for review and approval within **7 days** following the discovery of the loss, damage, or destruction (LDD) of US Government Property.

(2) Ensure an inquiry/investigation number is assigned by the Brigade S4 to the FLIPL before a document number is assigned by the property book office (PBO).

b. **Brigade S4** will:

(1) Have primary oversight and responsibility of the Brigade FLIPL process and monitor FLIPLs using a checklist/tracking document (DA Form 7531) and a register (DA Form 1659).

(2) Advise commanders when the LDD of sensitive or controlled items or total loss in excess of \$100,000, that the brigade/regiment commander assumes the responsibilities of the appointing authority in paragraph 5.d. below.

(3) Submit a weekly report to the NTC G4 Supply Division on the status of all open FLIPLs as of COB Tuesday. Reports are due each Wednesday, NLT 1200 hours.

(4) Ensure all DD form 200s and DA Form 7531s are properly initiated before acceptance.

(5) Assign an inquiry/investigation number to a FLIPL immediately after receipt.

(6) Submit FLIPL to the PBO for assignment of a document number.

(7) Return FLIPLs to the Appointing Authority within **15 days** following the discovery of the LDD to US Government Property.

(8) Ensure the FLIPL investigating officer (FLO) receives briefing on his/her duties and responsibilities and direct the officer to the Office of the Staff Judge Advocate (OSJA) for a briefing on legal requirements.

(9) Educate Battalion S4s and accountable officers on how to process forms and documents, and thoroughly track all FLIPLs.

(10) Review the FLO's submission, to include exhibits, ensuring proper format prior to submitting to the Appointing/Approving Authority.

(11) Upon decision by the approving authority to assess financial liability, notify individual(s) found to be liable for LDD to US Government Property with a memorandum from the Approving Authority. This time is not counted against the time constraints for the Approving Authority. Use a DA Form 200 when hand delivering the memorandum, or if mailing, send memorandum certified return receipt or read receipt request if emailing.

(12) Complete the required documentation to collect debt when financial liability has been assessed after requests for reconsideration and appeals have been considered, or the time limits for the respondent(s) to make such requests has expired.

(13) File and store the FLIPL for a minimum of five years upon any determination made to finalize and close the FLIPL.

c. Property Book Officer (PBO) will:

- (1) Action the FLIPL within **1 day** of receipt of DD 200.
- (2) Verify all information in blocks 4-8 is accurate.
- (3) Assign a document number to a FLIPL and return to Brigade S4.

d. Appointing Authority will:

- (1) Action the investigation and recommendation of the FLIPL within **40 days** of receipt.
- (2) Ensure all FLIPLs are completed within the 40 day time constraint identified for the investigation and recommendation process IAW AR 735-5.
- (3) Appoint in writing a FLO IAW AR 735-5. Ensure the FLO completes the investigation within **30 days** of receipt of the FLIPL. Attach FLO appointment orders as an exhibit to the FLIPL.
- (4) Approve/disapprove FLO's findings and recommendations and make any recommendations or comments before forwarding FLIPL to Approving Authority for final approval.
- (5) Ensure the OSJA has reviewed all documentation and all corrections are made before making any final decisions and/or before submitting final document to the Approving Authority.

e. Financial Liability Officer (FLO) will:

- (1) Complete investigation within **30 days** of appointment IAW AR 735-5.
- (2) Receive briefing from the Battalion XO or Brigade S4 upon receiving appointment orders.
- (3) Follow AR 735-5, para 13-29 (Financial Liability Officer's responsibilities) closely to ensure the FLIPL investigation is conducted IAW regulations.
- (4) Obtain all supporting documentation crucial to the investigation, i.e. sworn statements, military police reports, and Estimate Cost of Damage (ECOD), etc.
- (5) Place facts in chronological order (be sure to answer who, what, when, where, how).

(6) Identify responsibility, culpability (not negligent, simple negligence, gross negligence, and willful misconduct), proximate cause, and damage.

(7) Notify respondent(s) involved through memorandum if financial liability is recommended using certified return receipt if mailing or read receipt request if emailing. Provide the Brigade S4 a copy of the notification memorandum. This time is not counted against the time constraints for the Appointing Authority.

(8) Notify the Brigade S4 when the notifications process for the recommendation or assessment of financial liability begins and the date by which the individual must reply.

(9) Review respondent's rebuttal and determine if the new evidence presented conflicts with previous recommendation.

(10) Seek legal review for any recommendation being made, before forwarding to the Appointing Authority.

(11) Forward FLIPL to the Appointing Authority for his/her submission to the Approving Authority.

f. Approving Authority will:

(1) Action all FLIPLs within **20 days** of receipt of DD 200.

(2) Through the Brigade S4, ensure all FLIPLs are completed within the 20 days adjudication process time specified IAW AR 735-5, Figure 13-2.

(3) Ensure the OSJA has reviewed all documentation, if necessary, before making any final decisions on the FLIPL and ensure OSJA opinion is attached as an exhibit to the FLIPL.

(4) Ensure corrective actions are taken before taking final action to assess financial liability if the FLIPL is not legally sufficient.

(5) Complete all portions of the FLIPL as required IAW AR 735-5.

(6) Forward to the Brigade S4 upon determination to assess financial liability or relieve individual(s) from financial liability.

g. NTC G4 will:

(1) Monitor the financial liability investigation of property loss process within NTC and Fort Irwin.

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(2) Perform duties in support of the approving authority and ensure all DD Form 200s and DA Form 7531s are properly initiated for LDD of sensitive or controlled items or total loss in excess of \$100,000.

(3) Ensure all DD 200s for LDD of sensitive or controlled items or total loss in excess of \$100,000 are reviewed by the SJA or Deputy SJA prior to submission to the Approving Authority.

h. **Statements of Delay.** If the timeline above is not met, a written statement explaining the reason for the delay must be attached as an exhibit to the FLIPL.

6. Point of contact for this memorandum is Dr. Alvin J. Thomas, NTC ACoFS, G4.


TERRY R. FERRELL
Brigadier General, USA
Commanding

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